



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
FORT MCPHERSON, GEORGIA 30330-6000

REPLY TO
ATTENTION OF
AFLG-PR

15 September 1999

MEMORANDUM FOR SEE DISTRIBUTION

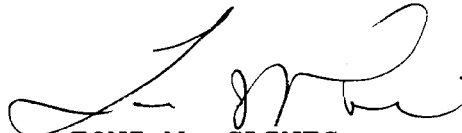
SUBJECT: Contracting Information Letter (CIL) 99-43

1. This CIL contains information on the following subjects:
 - a. Department of Defense Paperless Contracting,
 - b. Contractors in the Government Workplace, and
 - c. Insertion of Solicitation Numbers on POM/PNM Documents.
2. Department of Defense Paperless Contracting. Reference memo from Mr. Bruce M. Carnes, Deputy Director, Defense Finance and Accounting Service (DFAS), 24 August 1999, SAB (encl 1). All DFAS activities have been directed to use Electronic Data Access (EDA) and are not to request paper contract distribution. If you are currently posting to EDA, you are not required to supplement that transmission with a hard copy. For additional information, please contact Mr. Roy Marr at DSN 367-7140 or email to marrrr@forscom.army.mil.
3. Contractors in the Government Workplace. Reference memo, AFLG-PR, 17 August 1999, SAB (encl 2). Subject memo further explains the role of contractors in government operations and the importance of compliance with Army policy and procedures. For additional information, please contact Ms. Beverly Thomas at DSN 367-7284 or thomasb@forscom.army.mil.
4. Insertion of Solicitation Numbers on POM/PNM Documents. Enclosure 3 contains a format change to the POM/PNM document. For ease of identification, a line for the solicitation number has been added. Please download a copy of the document for use.

AFLG-PR

SUBJECT: Contracting Information Letter (CIL) 99-43

Applicable changes have been made to the FFARS and the homepage.
For additional information, please call Ms. Nancy Ware at
DSN 367-5559 or warenancy@forscom.army.mil.



TONI M. GAINES
Chief, Contracting
Division, DCSLOG
Principal Assistant Responsible
for Contracting

3 Encls
as

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DEFENSE FINANCE AND ACCOUNTING SERVICE

**1831 JEFFERSON DAVIS HIGHWAY
ARLINGTON, VA 22240-5251**

AUG 24 1999

**MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)**

SUBJECT: Department of Defense Paperless Contracting

Reference the meeting with Dr. Hamre on August 9, 1999, where you discussed two issues related to the Defense Finance and Accounting Service (DFAS). Our staffs have discussed these issues and I would like to provide you with a status.

Your first issue related to DFAS requesting copies of contracts from your contracting offices. I have directed all DFAS activities to use Electronic Data Access (EDA) and not to request copies from your contracting offices. We are also conducting refresher training for DFAS centers and operating locations.

Based on discussions with your staff, we were advised that the second issue was not related to DFAS and therefore we have not taken any further action.

DFAS is committed to meeting the paperless goals established for the Department and look forward to a continued partnership with the Department of the Army.

A handwritten signature in black ink, appearing to read "Bruce M. Carnes".

Bruce M. Carnes
Deputy Director

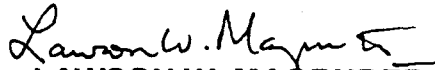
AFLG-PR (17 Aug 99) (715) 1st End
SUBJECT: Contractors in the Government Workplace

DEPUTY COMMANDING GENERAL/CHIEF OF STAFF, HEADQUARTERS, U.S.
ARMY FORCES COMMAND, 1777 HARDEE AVENUE, SW., FORT MCPHERSON,
GA 30330-1062 **09 SEP 1999**

MEMORANDUM FOR

COMMANDERS, CONUSA
COMMANDER, THIRD UNITED STATES ARMY
COMMANDER, UNITED STATES ARMY RESERVE COMMAND
COMMANDER, UNITED STATES ARMY SIGNAL COMMAND
COMMANDERS, FORSCOM INSTALLATIONS

- 1. Basic memorandum provides important and timely information on responsibilities relating to contractors in the workplace. Activities that use contractor personnel should be assessed immediately to ensure full compliance with Army policies which govern management of inherently governmental functions, identification of contractor personnel in the workplace, contractor handling of classified and sensitive material, and compliance with the Army's sexual harassment policy as outlined in basic memorandum.**
- 2. While it is important that government and contract employees work as a team, there are still guidelines and limitations that must be observed. Please ensure that this information receives wide dissemination.**
- 3. For additional information, contact Ms. Beverly Thomas at DSN 367-7284 or e-mail thomasb@forscom.army.mil.**


LAWSON W. MAGRUDER III
Lieutenant General, USA
Deputy Commanding General/
Chief of Staff



DEPARTMENT OF THE ARMY
WASHINGTON, D.C. 20310

17 August 1999

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contractors in the Government Workplace

This memorandum is to remind HQDA Principals and Army Commanders of their responsibilities relating to contractors in the workplace.

As Government functions are increasingly outsourced, making us more reliant on contractors, we must understand the advantages and limitations of using contractors, as well as the responsibilities associated with their use. Historically, contractors have successfully supported the U.S. Government during both war and peace, but who they really are and how they fit into an organization's operation is not always fully understood.

When properly used, contractors can assist Government managers in achieving their missions or enhancing their services. Contractors are managed through contracting channels based on the terms and conditions of the contract and the contracting officer's technical representative (COTR). The COTR assists in technically monitoring and administering the contract. Contractors are required to perform all tasks identified in the Statement of Work (SOW). However, contractors may not perform "inherently governmental functions." As a matter of policy, an "inherently governmental function" is one so intimately related to the public interest as to mandate performance by Government employees.

However, contractors may gather information or provide advice, opinions, recommendations, or ideas in these areas. They may develop draft policy and assist in planning and preparing budgets. In the contracting process, they may technically evaluate contract proposals, assist in developing SOWs, and serve as technical advisors to source selection boards. They may also participate as voting or nonvoting members of source evaluation boards. What they may not do is render a final decision. Nor will they supervise Government employees, make mission decisions, or represent the organization at policy decision group levels, particularly in financial matters.

To avoid any perception that a contractor is performing functions that are inherently governmental, Government managers should familiarize themselves with the Federal Acquisition Regulation and the relationship between Government personnel and contractors supporting their organization. Government and contractor personnel should also ensure that the work is related to a recognizable portion of the SOW.


When drafting service contracts, Government agencies will include a requirement that contractor personnel must identify themselves as contractors when attending

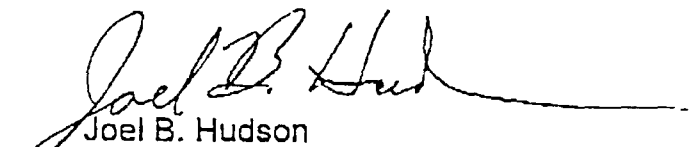
meetings, answering Government telephones, or working in situations where their actions could be construed as official Government acts. The Government manager or COTR must ensure that the contracted employee displays his or her name and the name of the company while in the work area, wears and displays a building pass at all times, and includes the company's name in his or her email display. When a Government manager wishes to send a contractor to any type of meeting where classified or sensitive unclassified material may be presented, the COTR must provide—in writing or email—verification of the contractors' security clearance and/or need to know. Ultimately, the Government host who holds the classified or sensitive information is responsible for obtaining this information and ensuring that those who will receive the information have the appropriate security clearance and need to know before they admitted the contractor.

As stated previously, contractors do not supervise Government employees, nor do Government managers have direct control over contractor employees. However, the greater the degree of reliance on contractors, the greater the need for Government oversight. Therefore, HQDA Principals and Army Commanders must ensure that there are a sufficient number of experienced and trained government personnel available to exercise effective oversight of their programs that use contractor personnel. Ultimately, department heads and agencies are responsible for approving contracted work.

Finally, the Army policy is that sexual harassment and other forms of discrimination are unacceptable conduct in the Army workplace whether committed by or against its Government or contractors' employees. Violations of this policy could result in joint liability for both the Army and the contractor(s). HQDA Principals and Army Commanders are responsible for enforcing the Army policy.

Please ensure that this information receives wide dissemination. You may also find the following website helpful: <http://web.deskbook.osd.mil/default.asp?tasklist.asp>.


John M. Pickler
Lieutenant General, USA
Director of the Army Staff


Joel B. Hudson
Administrative Assistant
to the Secretary of the Army

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FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT**PRICE NEGOTIATION MEMORANDUM**
(FFARS 15.4)

Contracting Activity _____

Date _____:

Solicitation Number: _____

Competitive: Non-Competitive:

Proposed Contract Total: \$ _____

Awardee(s): Address:

Description of Goods or Serviced being contracted for:

Final Pricing Structure:

Cost (Excl Com)	\$	_____
Cost of Money		_____
Total Cost		_____
Fee/Profit (%)		_____
Base Fee (%)		_____
Award Fee (%)		_____
Total		_____

Preparer
(Signature) _____ Date: _____Reviewer
(Signature) _____ Date: _____

Approved (Signature) _____ Date